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SIXTH
ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

NORTH PENNSYLVANIA RAILROAD COMPANY:

WITH THE

REPORT

OF THE

ENGINEER AND SUPERINTENDENT.

JANUARY 10, 1859.

PHILADELPHIA:

CRISSY & MARKLEY, PRINTERS, GOLDSMITHS HALL, LIBRARY STREET.

1859.

OFFICERS AND DIRECTORS
OF
The North Pennsylvania Railroad Company,
FOR 1859.

PRESIDENT.

FRANKLIN A. COMLY.

DIRECTORS.

JOHN BROCK,
ALGERNON S. ROBERTS,
S. MORRIS WALN,
ELLWOOD SHANNON,
WILLIAM L. HIRST,

JOHN JORDAN, JR.,
J. GILLINGHAM FELL,
WILLIAM C. LUDWIG,
EDWARD C. KNIGHT,
HARRY CONRAD.

CITY DIRECTORS.

JOHN KESSLER, JR.,

PETER FRITZ.

TREASURER.

WILLIAM WISTER.

SECRETARY.

EDWARD ARMSTRONG.

ENGINEER & SUPERINTENDENT.

SOLOMON W. ROBERTS.

GENERAL FREIGHT & TICKET AGENT.

ELLIS CLARK.

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SIXTH ANNUAL REPORT.

The Directors of the North Pennsylvania Railroad Company submit to the stockholders the following report and accompanying statements, showing the result of the business of the year just closed.

The receipts have not been quite so large as they had hoped ; but, taking into consideration the general depression in all branches of trade, and particularly the iron and coal interests, resulting from the crisis of last year, the result has been as satisfactory as could reasonably have been expected.

The coal tonnage for the year ending November 30th was 66,133 tons 16 cwt., of which 50,296 tons 10 cwt. was brought through to Philadelphia, and the balance, 15,837 tons 6 cwt. distributed on the line of the Road, being an increase of 23,083 tons 2 cwt. over the tonnage of the previous year.

The gross earnings for the year were \$296,893 99, derived from the following sources, to wit :

Passengers,	-	-	-	\$119,362 82
Coal,	-	-	-	78,825 78
Iron,	-	-	-	7,207 01
Miscellaneous Freight,			-	88,733 53
Mail,	-	-	-	2,764 85
Total,				<u>\$296,893 99</u>

Being an increase of \$48,110 19 over the earnings of last year.

The total expenses, including maintenance of way, renewals and repairs, were \$134,823 55, leaving net earnings, \$162,070 44.

The floating debt of the Company on November 30th, (the close of the fiscal year,) was \$184,213 39, less cash on hand, \$27,134 84, leaving \$157,078 55, being a decrease in that item of \$64,642 34.

The permanent accounts have been increased, as follows :

Construction account for new Engine

House, Water Station, Ballasting, etc.,	\$9,002 59
Equipment of Road for Freight Cars, -	4,236 46
Machinery for Shop, -	8,094 66
Right of Way and Fencing, -	9,090 17
Telegraph, (for completing line,) -	2,117 39
Total,	<u>\$32,541 27</u>

The work for the above charges was under contract in 1857, but not completed and settled for until after the close of that year.

The bonded debt has been increased \$114,500, by the issue of that amount of real estate and chattel mortgage bonds, in settlement for rolling stock, and claims against the Company.

The real estate account has decreased \$6,254, by the sale of a piece of land at Iron Hill station, which was originally purchased to prevent the payment of excessive damages, and also by a portion of the property at Sellersville, not required for depot purposes. The proceeds of the sales have been received by the Trustees, in accordance with the stipulations of the trusts, and the amounts charged to them on the books of the Company.

The office building, No. 407 Walnut street, was extensively advertised, and offered at public sale by Messrs. M. Thomas & Sons, at the Philadelphia Exchange, but, no satisfactory bid being obtained, it was not sold. It is now held for private sale.

In order to render the Cohocksink property more available for depot purposes, the Directors authorized the purchase of an adjoining lot, situated at the south-east corner of Washington and Chatham streets, which was effected without any additional outlay of capital. A lot of equal size and value, (disconnected from the other property,) situated on the north side of Chatham street, was given in exchange. The Company now own the entire square, between Chatham and Cherry, Second

and Washington streets, which will enable them to improve the property to much greater advantage, whenever it may become necessary to do so.

The accounts of the right of way department have been very nearly closed. The commissioners having charge of that department report but eight unsettled cases on the main line, and but one on the Doylestown branch, the delay in settling which is likely to result advantageously to the Company.

The Quakake Railroad was opened for business on the 25th of August, connecting the Catawissa, Williamsport and Erie Railroad with the Beaver Meadow Road, near Weatherly. In consequence of the lateness of the season, together with the inadequate supply of rolling stock to form a through freight line, no large amount of business has yet been received from that connection. By a recent change in the running time, a daily through passenger line has been formed, making close connections both ways between Philadelphia and Elmira, and arrangements are now in progress for carrying freight, which will, no doubt, secure a portion of the trade to the North Pennsylvania road.

The policy adopted by the former board of paying the six per cent. coupons in instalments, has been adhered to, while the real estate and chattel coupons have been paid in full at maturity—the terms of the mortgage securing the latter not allowing any postponement.

With a gradually increasing trade, a first class road, second to none in the country, forming a direct communication with the richest agricultural and mineral coun-

ties of the State, and with a revival of business in the Lehigh region, which seems to have already commenced, a considerable increase of earnings may be confidently expected the coming year.

The report of the Engineer and Superintendent, together with the Treasurer's statement, are herewith submitted.

By order of the Board,

F. A. COMLY, *President.*

OFFICE NORTH PENNA. R. R. Co.,
Philadelphia, Jan. 8, 1859.

CONDENSED BALANCE SHEET NOV. 30TH, 1858, NORTH PENNSYLVANIA RAILROAD COMPANY.

Received from Stockholders,	-	-	\$3,086,710 00	Construction,	-	-	\$4,783,107 00
Mortgage Bonds,	-	-	2,500,000 00	Equipment,	-	-	353,516 43
Chattel do	-	-	214,500 00	Station Houses and Shops,	-	-	68,748 93
Bills payable,	-	-	183,260 03	Right of Way,	-	-	204,214 03
Ground Rents and Mortgages,	-	-	88,973 21	Real Estate,	-	-	385,661 34
Coupon No 6,	-	-	522 50	Telegraph,	-	-	4,967 39
Do No. 7,	-	-	47,897 50	Accident, represented by stock,	-	-	316,251 28
Do No. 8,	-	-	75,000 00	Trustees,	-	-	6,354 00
Unpaid Accounts,	-	-	953 36	Profit and Loss,	-	-	47,861 36
				Cash,	-	-	27,134 84
			<u>\$6,197,816 60</u>				<u>\$6,197,816 60</u>

WILLIAM WISTER,
Treasurer.

R E P O R T

OF THE

ENGINEER AND SUPERINTENDENT.

Philadelphia, January 6th, 1859.

TO FRANKLIN A. COMLY, ESQ.,

President North Pennsylvania Railroad Company.

SIR:—The following report, and the accompanying tabular statements, are respectfully submitted :

The past year has been one of unusual trial to most of the railroads in the United States. The general depression of business has tended to diminish both trade and travel, and the hopes which were entertained last winter of a general revival in the spring, were not verified by the result.

Under these circumstances, the policy of a close contraction of expenses has been faithfully adhered to upon the North Penn-

sylvania Railroad. But little has been expended for construction and equipment, and that mostly in the early part of the year, for former liabilities and for work previously undertaken.

The amount expended for railroad construction purposes, within the fiscal year, has been \$13,781 03; for equipment and machinery for shops, \$8,540 47; and for the whole cost of the telegraph line, \$4,967 39. The particulars are given in a tabular statement which accompanies this report.

The road and the structures connected with it have been kept up in good and safe running order, and a constant effort has been made to carry intelligent economy to the utmost limit consistent with prudence. Twenty new coal cars, of four wheels each, have been added to the equipment since the last annual report.

In February last I was requested to submit to you a conjectural estimate of the probable earnings of the road for the year, and on the 20th day of that month I submitted a communication, the following extracts from which are taken from the pressed copy contained in my letter book.

“As it is not given to man to foresee the future every such estimate must contain many elements of uncertainty; but judging from the results of the past year, I think that the following estimate will turn out to be not far wrong: * * *

“Estimated gross earnings of the fiscal year,	-	\$330,000
“Estimated current expenses, at 45 per cent. and a fraction, as per last year,	- - -	150,000
Estimated net earnings,	- - -	<u>\$180,000</u>

“In view of the experience of the past year, and looking forward to the revival of trade, which is confidently expected to take place in the spring, I consider the foregoing to be a probable estimate.”

It is well known that the anticipated revival of trade did not take place as was expected; and the result is that the earnings of the road have been about ten per cent. less than was hoped for, which is still, however, a better result than many other roads have been able to produce in 1858.

The gross earnings of the fiscal year, beginning December 1st, 1857, and ending November 30th, 1858, have been \$296,893 99, being an increase of \$48,110 19, or an increase of nearly twenty per cent. over the earnings of the previous year.

The current expenses for the past year have been \$134,823 55, and the net earnings \$162,070 44; which makes the expenses chargeable to the business a fraction more than 45 per cent. of the earnings.

The trains have been run with remarkable regularity and freedom from accident, and 257,086 passengers have been carried upon the road, and all of them without injury. As compared with the preceding year, the number of passengers has increased 1,928, and the money received from them has diminished \$1,342 31. This is caused by the large number of passengers carried near the city at very low rates of fare. The experiment of running very frequent trains near the city, was faithfully tried for ten weeks, in the best part of the season, and the pecuniary result was exceedingly unsatisfactory. Actual trial proved the movement to be premature. As large a measure of accommodation has been afforded to the public as the finances of the company, and the amount of the business would justify. More than a quarter of a million of passengers have been carried, and the trains run were sufficient to accommodate a much larger number.

The receipts from miscellaneous through freight, carried in connection with "the Lehigh Valley Freight Company," have fallen off \$110 65 from the preceding year. This item ought to show a considerable increase; but it does not, partly on

account of the want of a daily freight train on the Lehigh Valley Railroad.

The receipts from local freight show the handsome increase of \$14,572 92; and this item must grow with the progress of improvement along the line. It will be a gradual growth however, and for a large increase of revenue within a short time, business must be sought beyond the limits of our own road.

The coal trade has produced \$26,740 89 more than in the preceding year, being an increase of fifty per cent.; and pig iron from the Lehigh has paid \$7,207 01, in the past year. There is good reason to believe that both of these sources of revenue will be largely increased in the future.

The following table exhibits a classified statement of the total earnings for the year.

Total Earnings, Classified, from December 1st, 1857, to November 30th, 1858, inclusive.

	MONTHS.	PASSENGERS.	FREIGHT.				MAIL.	TOTAL.
			Coal.	Iron.	Local.	Through.		
1857.	December,	8,449 85	6,836 66		4,049 86	2,108 04	229 67	21,674 08
1858.	January,	7,794 36	3,616 67	1,420 57	4,014 71	2,062 88	229 67	19,138 86
	February,	5,920 10	5,885 63	725 95	3,861 31	2,278 85	229 67	18,901 51
	March,	8,034 74	8,834 72	848 34	5,430 40	2,511 21	229 67	25,889 08
	April,	9,853 66	5,812 26		6,691 41	2,656 35	229 67	25,243 35
	May,	9,989 85	5,066 65	378 00	6,182 83	1,770 37	229 67	23,617 37
	June,	10,609 69	4,137 32	628 90	4,958 86	1,537 49	229 67	22,101 93
	July,	13,079 34	6,015 70	568 40	3,876 74	1,263 26	229 67	25,033 11
	August,	14,572 65	5,883 23	507 50	6,133 84	1,833 13	229 67	29,160 02
	September,	11,737 52	7,522 62	121 80	6,693 55	2,062 85	238 49	28,376 83
	October,	10,795 20	11,020 37	522 23	6,618 98	2,030 78	229 67	31,217 22
	November,	8,525 86	8,193 95	1,485 32	6,220 76	1,885 07	229 67	26,540 63
		\$119,362 82	\$78,825 78	\$7,207 01	\$64,733 25	\$24,000 28	\$2,764 85	\$296,893 99

Passengers,	\$119,362 82	1858.	\$296,893 99
Freight,	174,766 32	1857.	248,783 80
Mail,	2,764 85		
			\$48,110 19 Increase.

A large sheet, arranged in a tabular form, exhibiting the amount of the pay rolls and bills for each month of the fiscal year, under the various heads of expenditure, has been prepared, and is herewith submitted, for the information of the Board.

I have carefully scrutinized the various sources of revenue and items of expenditure from month to month, and am satisfied that while a continuous but gradual growth of the earnings from local business may be confidently looked for, it is an increase of business to and from points beyond Bethlehem that affords the widest and most promising field for the future growth of our trade and travel.

At present our only connecting line beyond Bethlehem is the Lehigh Valley Railroad, and the consequence is that our relations with that company are of a very complicated character. Of our gross earnings from freight and passengers in the past year, 43 per cent. have been derived from business interchanged with the Lehigh Valley Railroad. But this has been very unequally divided between freight and passengers; for while the joint freight business, including coal and iron, amounted to 63 per cent., the joint passenger business reached only 15 per cent. We want better connections with Easton, and it is hoped that before another year passes away the Lehigh Valley Railroad Company will come to the conclusion that it is its true interest to provide them for us.

The Quakake Railroad, which is a short connecting link between the Catawissa and the Beaver Meadow roads, was opened in August last. A small amount of business has been received from that source, which will no doubt be larger hereafter.

The opening of a line of railroads in the Valley of the Susquehanna, from Pittston and Wilkesbarre to Harrisburg, has diverted the travel between the Wyoming Valley and Philadelphia into circuitous channels, and away from the direct route by the Valley of the Lehigh and the North Pennsylvania Railroad. The cause of this is the want of a connecting link between the

railroads in the Lehigh coal region and the road from Whitehaven to Wilkesbarre. People travel fifty miles round in order to avoid seven miles of staging.

To see if something could not be done to close up the connecting link and give us a direct railroad to Wilkesbarre, I obtained a subscription in September last to pay the expenses of a party to make the necessary surveys. Five railroad companies, owning links of the proposed chain, each contributed the sum of seventy-five dollars for the purpose, and the surveys were made with satisfactory results. The companies were the North Pennsylvania, the Lehigh Valley, the Beaver Meadow, the Lehigh-Luzerne, and the Lehigh Coal and Navigation Company. The surveys were made, under my supervision, by Mr. Martin Coryell, Civil Engineer, and they show that for two hundred thousand dollars the work can be done.

An independent company ought to be organized for the purpose, and a united and vigorous effort made to accomplish the work. Great as are the benefits that it would confer upon the North Pennsylvania Railroad Company, I am well aware that this corporation cannot now contribute any thing to any such object; but this company has a numerous and influential body of stockholders and bondholders, who may, as individuals, do much to promote it, and the other companies owning links in the chain, which would be greatly benefited, are strong enough to do the work in a single season without feeling its weight.

The Lehigh coal carried on the North Pennsylvania Railroad in the past fiscal year has amounted to 66,133 tons 16 cwt., which is an increase of 23,083 tons 2 cwt. over the amount carried in the preceding year.

The coal brought to Philadelphia was 50,296 tons 10 cwt., and 15,837 tons 6 cwt. were distributed at way stations.

The milk received at Philadelphia from various points on the line of the road was 733,840 gallons, being equal, on an average,

to 2,000 gallons per day, and exhibiting an increase of 88,729 gallons over the year before.

The pig iron from the Lehigh was 6,009 tons, and the lime carried was 183,491 bushels, which was principally brought from the kilns on the Lehigh to fertilize the fields of Bucks and Montgomery counties.

The officers and agents employed upon the road have discharged their duties in a satisfactory and creditable manner.

Respectfully submitted,

S. W. ROBERTS,
Engineer and Superintendent.

